

CODIFICATION

This section was not enacted as part of Title I of Pub. L. 95-617 which comprises this chapter.

CHAPTER 47—SMALL HYDROELECTRIC POWER PROJECTS [NEW]

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§ 2701. Establishment of program

The Secretary shall establish a program in accordance with this chapter to encourage municipalities, electric cooperatives, industrial development agencies, nonprofit organizations, and other persons to undertake the development of small hydroelectric power projects in connection with existing dams which are not being used to generate electric power.

(Pub. L. 95-617, title IV, § 401, Nov. 9, 1978, 92 Stat. 3154.)

§ 2702. Loans for feasibility studies

(a) Loan authority

The Secretary, after consultation with the Commission, is authorized to make a loan to any municipality, electric cooperative, industrial development agency, nonprofit organization, or other person to assist such person in defraying up to 90 percent of the costs of—

- (1) studies to determine the feasibility of undertaking a small hydroelectric power project at an existing dam or dams and
- (2) preparing any application for a necessary license or other Federal, State, and local approval respecting such a project at an existing dam or dams and of participating in any administrative proceeding regarding any such application.

(b) Cancellation

The Secretary may cancel the unpaid balance and any accrued interest on any loan granted pursuant to this section if he determines on the basis of the study that the small hydroelectric power project would not be technically or economically feasible.

(Pub. L. 95-617, title IV, § 402, Nov. 9, 1978, 92 Stat. 3154.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2704, 2707 of this title.

§ 2703. Loans for project costs

(a) Authority

The Secretary is authorized to make loans to any municipality, electric cooperative, industrial development agency, nonprofit organization, or other person of up to 75 percent of the project costs of a small hydroelectric power project. No such loan may be made unless the Secretary finds that—

- (1) the project will be constructed in connection with an existing dam or dams,
- (2) all licenses and other required Federal, State, and local approvals necessary for construction of the project have been issued,
- (3) the project will have no significant adverse environmental effects, including significant adverse effects on fish and wildlife, on recreational use of water, and on stream flow, and
- (4) the project will not have a significant adverse effect on any other use of the water used by such project.

The Secretary may make a commitment to make a loan under this subsection to an applicant who has not met the requirements of paragraph (2), pending compliance by such applicant with such requirements. Such commitment shall be for period¹ of not to exceed 3 years unless the Secretary, in consultation with the Commission, extends such period for good cause shown. Notwithstanding any such commitment, no such loan shall be made before such person has complied with such requirements.

(b) Preference

The Secretary shall give preference to applicants under this section who do not have available alternative financing which the Secretary deems appropriate to carry out the project and whose projects will provide useful information as to the technical and economic feasibility of—

- (1) the generation of electric energy by such projects, and
- (2) the use of energy produced by such projects.

(c) Information

Every applicant for a license for a small hydroelectric power project receiving loans pursuant to this section shall furnish the Secretary with such information as the Secretary may require regarding equipment and services proposed to be used in the design, construction, and operation of such project. The Secretary shall have the right to forbid the use in such project of any equipment or services he finds inappropriate for such project by reason of cost, performance, or failure to carry out the purposes of this section. The Secretary shall make information which he obtains under this subsection available to the public, other than information described as entitled to confidentiality under section 796(d) of title 15.

(d) Joint participation

In making loans for small hydroelectric power projects under this section, the Secretary shall encourage joint participation, to the

¹ So in original. Probably should be "for a period".

extent permitted by law, by applicants eligible to receive loans under this section with respect to the same project.

(Pub. L. 95-617, title IV, § 403, Nov. 9, 1978, 92 Stat. 3155.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2704, 2707 of this title.

§ 2704. Loan rates and repayment

(a) Interest

Each loan made pursuant to this chapter shall bear interest at the discount or interest rate used at the time the loan is made for water resources planning projects under section 1962d-17 of title 42. Each such loan shall be for such term, as the Secretary deems appropriate, but not in excess of—

(1) 10 years (in the case of a loan under section 2702 of this title) or

(2) 30 years (in the case of a loan under section 2703 of this title).

(h) Repayments

Amounts repaid on loans made pursuant to this chapter shall be deposited into the United States Treasury as miscellaneous receipts.

(Pub. L. 95-617, title IV, § 404, Nov. 9, 1978, 92 Stat. 3155.)

REFERENCES IN TEXT

In subsec. (a), "section 1962d-17 of Title 42" read in the original "section 80 of the Water Resources Development Act of 1974 (42 U.S.C. 1962-17(a))".

§ 2705. Simplified and expeditious licensing procedures

(a) Establishment of program

The Commission shall establish, in such manner as the Commission deems appropriate, consistent with the applicable provisions of law, a program to use simple and expeditious licensing procedures under the Federal Power Act [16 U.S.C. 791a et seq.] for small hydroelectric power projects in connection with existing dams.

(h) Prerequisites

Before issuing any license under the Federal Power Act [16 U.S.C. 791a et seq.] for the construction or operation of any small hydroelectric power project the Commission—

(1) shall assess the safety of existing structures in any proposed project (including possible consequences associated with failure of such structures), and

(2) shall provide an opportunity for consultation with the Council on Environmental Quality and the Environmental Protection Agency with respect to the environmental effects of such project.

Nothing in this subsection exempts any such project from any requirement applicable to any such project under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.], the Fish and Wildlife Coordination Act [16 U.S.C. 661 et seq.], the Endangered Species Act [16 U.S.C. 1531 et seq.], or any other provision of Federal law.

(c) Fish and wildlife facilities

The Commission shall encourage applicants for licenses for small hydroelectric power projects to make use of public funds and other assistance for the design and construction of fish and wildlife facilities which may be required in connection with any development of such project.

(Pub. L. 95-617, title IV, § 405, Nov. 9, 1978, 92 Stat. 3156.)

REFERENCES IN TEXT

The Federal Power Act, referred to in subsecs. (a) and (b), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended which is classified generally to chapter 12 (§ 791a et seq.) of this title. For complete classification of this Act to the Code, see section 791a of this title and Tables.

The National Environmental Policy Act of 1969, referred to in subsec. (b), is Pub. L. 91-190, Jan. 1, 1970, 83 Stat. 852, as amended, which is classified generally to chapter 55 (§ 4321 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of Title 42 and Tables.

The Fish and Wildlife Coordination Act, referred to in subsec. (b), is act Mar. 10, 1934, ch. 55, 48 Stat. 401, as amended, which is classified generally to sections 661 to 666c of this title. For complete classification of this Act to the Code, see Short Title note set out under section 661 of this title and Tables.

The Endangered Species Act, referred to in subsec. (b), probably means the Endangered Species Act of 1973, Pub. L. 93-205, Dec. 28, 1973, 87 Stat. 884, as amended, which is classified generally to chapter 35 (§ 1531 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1531 of this title and Tables.

§ 2706. New impoundments

Nothing in this chapter authorizes (1) the loan of funds for construction of any new dam or other impoundment, or (2) the simple and expeditious licensing of any such new dam or other impoundment.

(Pub. L. 95-617, title IV, § 406, Nov. 9, 1978, 92 Stat. 3156.)

§ 2707. Authorizations

There are hereby authorized to be appropriated for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980, not to exceed \$10,000,000 for loans to be made pursuant to section 2702 of this title, such funds to remain available until expended. There are hereby authorized to be appropriated for each of the fiscal years ending September 30, 1978, September 30, 1979, September 30, 1980, not to exceed \$100,000,000 for loans to be made pursuant to section 2703 of this title, such funds to remain available until expended.

(Pub. L. 95-617, title IV, § 407, Nov. 9, 1978, 92 Stat. 3156.)

§ 2708. Definitions

For purposes of this chapter, the term—

(1) "small hydroelectric power project" means any hydroelectric power project which is located at the site of any existing dam, which uses the water power potential of such

dam, and which has not more than 15,000 kilowatts of installed capacity;

(2) "electric cooperative" means any cooperative association eligible to receive loans under section 904 of title 7;

(3) "industrial development agency" means any agency which is permitted to issue obligations the interest on which is excludable from gross income under section 103 of title 26;

(4) "project costs" means the cost of acquisition¹ or construction of all facilities and services and the cost of acquisition of all land and interests in land used in the design and construction and operation of a small hydroelectric power project;

(5) "nonprofit organization" means any organization described in section 501(c)(3) or 501(c)(4) of title 26 and exempt from tax

under section 501(a) of title 26 (but only with respect to a trade or business carried on by such organization which is not an unrelated trade or business, determined by applying section 513(a) of title 26 to such organization);

(6) "existing dam" means any dam, the construction of which was completed or on before April 20, 1977, and which does not require any construction or enlargement of impoundment structures (other than repairs or reconstruction) in connection with the installation of any small hydroelectric power project;

(7) "municipality" has the meaning provided in section 796 of this title; and

(8) "person" has the meaning provided in section 796 of this title.

¹So in original. Probably should be "acquisition".

(Pub. L. 95-617, title IV, § 408, Nov. 9, 1978, 92 Stat. 3156.)